

Los Angeles Basin Section Society of Petroleum Engineers

A Message from the Chair



Another Year in Which to Excel

Last month in this space I wrote about the relatively high price of crude oil, and the price went up still further. I wish that implied some cause-and-effect relationship. If it did, I would certainly wish you all great success in all your efforts in 2011. Well, I do anyway.

This time of year, there are two very common types of articles in the newspapers, magazines and websites. One is the year-in-review, in which the authors list the most significant events of the past 12 months within their area of interest. If we did that, the most significant event of 2010 in the petroleum industry would certainly be the Deepwater Horizon blowout at the Macondo well in the Gulf of Mexico.

The other common type of article this time of year includes predictions for the coming 12 months. Sometimes the more intellectually honest forecasters even take a look at how accurate their predictions were a year earlier. That is not very popular, because as the great physicist Neils Bohr taught us, "Prediction is very difficult, especially if it's about the future." (Very similar quotes have been attributed to Bill Clinton, Casey Stengel and Yogi Barra. Great minds think alike.)

...continues on page 2

Contents
Petroleum Technology Forum January 11 pages 1 & 3
Photos of LASPE Petroleum Technology Forum November 9 page 4
Nominate a colleague for an SPE Award page 5
LA SPE & SPE Scholarships Announcement page 6 & 7
LB Middle School Student Crude Oil Science Experiment page 8 & 9
LASPE Board Meeting Minutes for October 12 pages 10 & 11
Services Offered page 12
2011 Annual SPE Golf Tournament on May 6th at Los Serranos Save the Date!

PETROLEUM TECHNOLOGY FORUM PROGRAM, JANUARY 11, 2010

The next Petroleum Technology Forum will be held on Tuesday, January 11th, 2010 at the Long Beach Petroleum Club, 3636 Linden Avenue, Long Beach, CA 90807. The speaker will be Jerald C. Dethlefs from Conoco Phillips. *Abstract & bio follow on Page 3...*

Location:	Time:	Cost:
Long Beach Petroleum Club 3636 Linden Avenue Long Beach, CA 90807	Registration: 11:30 AM Buffet Lunch: 11:30 AM Presentation: 12:00-1:00 PM	\$20.00 members, \$25.00 non-members, Free for students.

Message from the Chair...continued from page 1

Regarding the Deepwater Horizon blowout and its consequences, we have not yet seen all of the important results of that terrible accident. The immediate consequences included the deaths of 11 workers on the rig. That was followed quickly by the loss of the vessel, and months of work to stop the blowout and clean up the spilled crude oil. The direct costs were in the tens of billions of dollars.

If we focus on the indirect consequences, the drilling moratorium enforced by the Federal Government imposed large costs on much of the petroleum industry, including many people and organizations with no connection to the disaster itself. The process of getting permits from government authorities is still reported to be very slow, adding more time and cost to industry projects. The indirect costs are unknowable, but very large.

Once while I was working at Union Oil Research, I wrote a short article for an in-house newsletter about predicting the price of crude oil. My conclusion was that no one had demonstrated that they could do it. Shortly after that article appeared, I learned that (1) there was a group of people at Union Oil Center that was supposed to predict the price of crude oil, and (2) that group reported to the same Vice President that my boss did. I learned something from that experience, but I didn't change my conclusion – the price of crude oil was and is fundamentally unpredictable.

So, as we start 2011, I have only one prediction: As an industry, we will continue to see effects from the Deepwater Horizon disaster. Some of them will be good, because the whole industry will have a renewed focus on safety and risk management. Many of the effects will cost our organizations time and money. Some may even cost the industry opportunities. It is by no means certain, for example, that Shell will get the permits it needs to start exploration drilling in the Beaufort and Chukchi Seas, north of Alaska.

In 2011, the price of crude oil will change almost every day. That isn't a prediction, that's a fact of life in the petroleum industry. However those changes go, I wish each of you the best of good fortune with all your projects in 2011.

Happy New Year!

Mike Utt
LASPE Chairperson 2010-2011
mikeutt@roadrunner.com

2011 Annual SPE Golf Tournament - SAVE THE DATE!!!

The Annual LA Basin SPE Charity Golf Tournament is set for May 6th, 2011. Once again we will be returning to Los Serranos Country Club in Chino Hills, for this great event.

Make your plans to attend early - teams have already started signing up. We expect this event to sell out, so don't get left out.

Interested parties and VOLUNTEERS PLEASE Contact Rich Manuel at rmanuel@mindspring.com.



FORUM FROM PAGE 1 . . .

PETROLEUM TECHNOLOGY FORUM PROGRAM, JANUARY 11, 2010

**Near Surface External Casing Corrosion: Cause, Remediation,
and Mitigation**

By Jerald C. Dethlefs from Conoco Phillips

Abstract:

Surface casing failures on a group of relatively new wells prompted an investigation into the cause. External corrosion had occurred on the surface casing near the cement top between the casing and conductor and was caused by repetitive wetting events from water entering the unsealed annulus. Testing of water and cement samples indicate that the presence of oxygenated water and chemical salts that leach from the cement creates a low-resistance electrolyte resulting in an extremely corrosive environment. The oxygenated water in this environment creates an electro-chemical cell that corrodes the surface casing. Elevated casing temperatures and a high temperature gradient between the casing and the conductor accelerates the corrosion rate by creating a thermo-galvanic corrosion cell.

The damaged surface casing has been mechanically repaired on numerous wells by excavation and installation of welded sleeve patches. Inhibiting the corrosion mechanism is considered an important mitigation for surface casings not yet compromised by the corrosion mechanism.

This presentation will:

- Discuss the extent of shallow external casing corrosion observed in the field
- Detail the mechanisms leading to the external corrosion
- Detail the mechanical repair procedures used to return the wells to service
- Discuss mitigation methods and remedial treatment to inhibit corrosion on new and existing wells.

This lecture illustrates that well barrier problems are not limited to being internal and deep in the well and require expensive (i.e., rig) methods to repair. Inexpensive repair approaches "outside the box" of traditional methods can be done safely, reduce risk and provide economic value for the company. The corrosion mechanism discussion should be applicable to most oil and gas operating areas around the globe.

Bio – Jerald C. Dethlefs

Jerald C. Dethlefs is a Well Integrity and Diagnostics Engineer with ConocoPhillips in the Global Completions and Production Engineering Group in Houston, Texas. Dethlefs has 25 years of experience with well operations, intervention, production operations, and drilling.

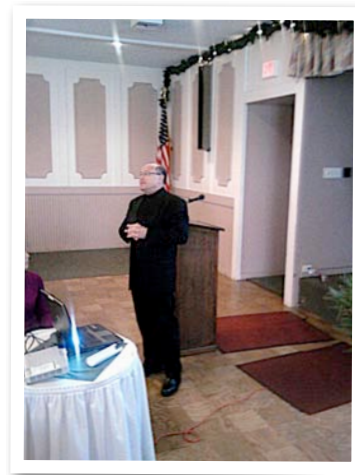
For the past 11 years, his focus has been on well integrity issues including policy, diagnostics, best practices, program management and regulatory compliance. Dethlefs has a Bachelor of Science in General Engineering, a Master of Science in Civil Engineering and a Masters of Business Administration.



Leila Rashedi
Forum Chairperson
lrashedi@betaoffshore.com

**ALI KAHN SPEAKS ON
FROM FLUSH TO FLASH- RENEWABLE GREEN ENERGY FROM
TREATED SEWAGE FLUIDS
PABLO S. GUTIERREZ SPEAKS ON
GEOTHERMAL ENERGY CO-PRODUCTION FROM
OIL AND GAS WELLS IN LOS ANGELES BASIN
AT DECEMBER 14, PETROLEUM TECHNOLOGY FORUM**

Photos of the LASPE Petroleum Technology Forum *double feature* as Ali Kahn and Pablo Gutierrez spoke to section members on green energy options on December 14, 2010 at the Long Beach Petroleum Club.



Nominate a colleague for an SPE Award

Recognition of excellence is an important aspect of any professional society. SPE knows that its members make many outstanding and significant technical, professional, and service contributions to the oil and gas industry, to society, and to their local communities.

Learn about the SPE Awards Program

SPE recognizes the exceptional achievements of these award recipients at SPE's Annual Technical Conference and Exhibition (ATCE).

[Read about the 2010 International Awards winners.](#)

See photos of the [2010 Awards ceremonies at ATCE in Florence, Italy.](#)

Now accepting nominations for 2011 awards

Do you know someone who deserves recognition for his or her contributions?

Awards are presented for...

- Technical contributions
- Professional excellence
- Career achievements
- Service to colleagues and community
- Distinguished faculty achievement
- Outstanding service by a Young Professional
- Industry leadership
- Corporate support

Nominate a colleague today!

You can find nominating criteria, nomination forms, and information about all of SPE's International Awards at www.spe.org/speawards.

Nomination deadline is 15 February 2011

Submit all nominations to awards@spe.org by 15 February 2011

[Click here to learn more about the nomination process.](#)

Got a question about nominating a colleague?

Email questions to awards@spe.org or contact

Cynthia A. Thompson
Society of Petroleum Engineers
Technical Activities Administrator
PO Box 833836
Richardson, TX 75083-3836
Phone: +1 972-952-9370
Fax: +1.972.952.9435
cthompson@spe.org

LA SPE SCHOLARSHIP ANNOUNCEMENT

THE LOS ANGELES BASIN OF THE SOCIETY OF PETROLEUM ENGINEERS IS NOW ACCEPTING APPLICATIONS FOR SCHOLARSHIPS FOR THE 2011/2012 SCHOOL YEAR

Local students who are classified as undergraduates and graduate students at the beginning of the 2011 fall semester attending may be eligible for these scholarships.

There are five types of scholarships available through the section:

- **Mei Chang Memorial Scholarship:** \$500 award are available for high school graduates entering college in the fall of their graduating year or following year. This scholarship is a tribute to Ms. Mei Chang, a Sr. Research Scientist with Chevron. She is remembered for her steady contributions to LASPE and for tutoring science and math high school students. The awards are available to children, grandchildren and siblings of LASPE members or local students sponsored by LASPE members in good standing (subject to board approval).

- **Undergraduate Scholarships:** \$500 scholarships are available for undergraduate college students pursuing petroleum engineering or geology, chemical, civil, mechanical, environmental or related engineering curriculums. The awards are available to active LASPE student members or SPE student members attending southern California colleges or universities.

- **Graduate Scholarships:** \$1,000 scholarships are available for college graduate students pursuing studies or conducting research in energy and petroleum related subjects. The awards are available to active LASPE student members or SPE student members attending southern California colleges or universities.

- **Bruce Davis Memorial Scholarship:** \$1,000 award is available for a USC student pursuing graduate studies in petroleum related fields, chemical engineering and chemistry. Dr. Davis, a 26-year employee of Chevron, considered himself an experimental chemist and wished to encourage students with science backgrounds to pursue a future career in the Petroleum Industry.

- **Robert & Elly Visser Scholarship:** Robert C. Visser is a private consultant in Torrance, California with over forty years experience in offshore oil and gas field development. The Vissers are sponsoring a LASPE Graduate student scholarship to help an academically deserving student in the pursuit of an advanced degree and future career as an engineer in the offshore petroleum industry. To this end they have generously sponsored a \$1,000 award available each year to a southern California university student who is pursuing engineering graduate studies with an emphasis in offshore development, structures or systems.

In addition to the above scholarships available through the section, the SPE Foundation annually awards the Gus Archie Memorial Scholarship, a four-year, \$6,000 annual grant to the outstanding college freshman pursuing an undergraduate degree in petroleum engineering. If you or your students would like more information on these scholarships, as well as the guidelines and qualifications, please go to:

<http://www.laspe.org/scholarship/scholarship.html>

The deadline for the submittal of the application is April 8, 2011. Depending on the number of applicants an interview may be required. The students will be notified of the results after the SPE Board meeting on May 10, 2011. If you have any questions about the scholarships contact:

Craig Webster
LASPE Scholarship Co-Chairman
Tel: (562) 256-1526
Email: Craig.Webster@slc.ca.gov

Society of Petroleum Engineers



Dear SPE Student Chapter Faculty Advisors and Student Chapter Presidents:

We are pleased to announce the applications for the 2011 Star scholarships and fellowships are now available. Applications within each region must be submitted by 15 March 2011. SPE will notify recipients by 20 May 2011.

Each year, SPE awards Star scholarships and fellowships globally representing a 1 million dollar commitment to education. A total of 71 Star scholarships and fellowships were awarded in 2010 representing the 15 SPE regions. Regions may customize the criteria, number and value of the scholarships and fellowships. Thus, the dollar amount of the funding varies among the Regions. See [Regional Details](#) for more information.

Scholarships are available in all 15 SPE regions to students entering or currently enrolled in university pursuing an undergraduate degree related to the oil and gas industry. The fellowships are also available in every region to graduate students pursuing a degree related to the oil and gas industry. Students must be current members of SPE and enrolled in university for a [minimum of 9 months from the announcement of the award](#). Applicants need to apply to the region based on their permanent address.

We seek your assistance and support to inform students in your student chapter and university as soon as possible of the available Star Scholarships and Fellowships. Applications and program criteria are available online at www.spe.org/go/star.

Applications must be submitted by [email](#) or mail to the attention of SPE Regional Scholarship Chairman. All applications must be typed. No handwritten applications will be accepted.

Thank you for your continuous support and dedication to SPE.

If you would like additional information or have questions please contact us at Star@spe.org

Best Regards,
Erin O'Sullivan
Regional Activities Coordinator
Society of Petroleum Engineers

LB MIDDLE SCHOOL STUDENT LEARNS ABOUT OIL



Jeffrey Dublin, a student at Will Rogers Middle School, wanted to know more about oil and how to refine it into some useful end product. This would be an experiment for his science class. LASPE's Richard Finken heard about Jeffrey looking for some crude oil and decided a little education on crude production was in order. Rick arranged an oil field tour for Jeff & family and provided a crude oil samples for the experiment. Jeffrey's mom, a former high school science instructor, was to make certain Jeffrey would not burn down the house. The below is the story in his own words:



"I liked going out to the oil island on the workboat. It was interesting to see all the machines and equipment on the island. The "condo" was cool. It moves around the island slowly to drill in different wells. My mom liked seeing the mud dropping into bins. I also like seeing the waterfall!

Richard gave us three jars of oil. The one with the oil right from the well had mostly water in it! It just had a little oil floating on top. Like about 10%.



We did a little experiment with the oil. I wanted to see if I could make gasoline from the oil. Before that we tested the crude oil to see if it would burn with a match and it did not. We used a student distillation kit and heated the oil. It turned into vapor and we cooled it. We collected the



vapor in a flask and lit it with a match. It went "poof" and glowed yellow. We heated the oil hotter and collected more vapor and lit it. That went poof and then had a flame burn at the edge of the flask for about 4 seconds. So, maybe that is a different kind of vapor. Then we heated the oil hotter and got some clear liquid into the flask. We lit that and it burned above the liquid. It must have had vapor above the liquid. Then we poured the liquid onto a glass dish and lit that. An 8 inch flame lasted 42 seconds. That must have been some kind of "fuel" that came out of the oil, maybe that was gasoline.

While doing a little research yesterday I learned on YouTube that the mud we saw on the island is called drilling mud. I also learned that gasoline comes from oil and so do many other fuels, like jet fuel and natural gases. We make plastic things from oil. We get asphalt from oil. They use a great big tower as big as a cathedral to heat the oil and separate it. Maybe I made jet fuel!"

“This is what I wrote for the "acknowledgements" part of my report:

...Thanks to uncle Bub for helping us set up a tour of the island. Thank you Mr. Richard Finken for taking us out there and being our tour guide. I saw a lot of neat machinery. Thanks to Mr. Miller who let us borrow the distillation kit and thanks to my dad for filming parts of my experiment. Thanks to my mom for helping me with the experiment...”

More photo:



LASPE BOARD MEETING MINUTES

BOARD OF DIRECTORS MEETING NO. 13, DECEMBER 14, 2010

Attending:

Mike Utt, Section Chair	Robert Visser, Assistant Treasurer
Rick Finken, Treasurer	Dr. Eric Withjack, Vice Chair
Craig Webster, Scholarships	Scott Hara, 2010 WNAR Co-Chairperson
Vanessa Perez, Jr. Past Section Chair	AB Gorashi Abdulrahman, Board Member
Dr. Sam Sarem, WNAR Director	Rachel Spitz, Secretary
Dr. Jalal Torabzadeh, Sr. Past Section Chair	Katy Canan, Board Member
	Jack Smith, Scholarship Chair

1. The meeting was called to order at 10:30 AM
2. The proposed Agenda was approved.
3. The minutes of the meeting of November 9, 2010, as published in December 2010 LASPE Newsletter, were approved.
4. Announcements:
 - 4.01 The 2012 WRM may be held in Bakersfield. San Joaquin Valley Section wants to host..
5. Reports
 - 5.01 Treasurer Rick Finken: Alaska section gave our section money to help make up for last year's cost of hosting the WRM. The forum was in deficit last month. The Treasurer's Report was approved by the Board.
 - 5.02 Golf Tournament Report: Rich Manuel was not in attendance, but the tournament has been reserved for May 6th at Los Serranos golf course. Rich will plan a meeting in January to coordinate the event.
 - 5.03 Student Chapters Report: Jalal Torabzadeh: CSULB has had 2 meetings and they have their own officers. Matthew Perry, CSULB Student Section President talked about his experience at the ATCE. CSULB has had job fairs and is keeping other students aware of SPE. They appreciate the option to add to the Newsletter. USC is reviving their chapter. A student liaison is needed, Katy Canan suggested Adit Varmai.
 - 5.4 WNA Regional Update – Sam Sarem: The WRM will be held May 7-11, 2011 Anchorage Alaska and next year, May 2012, in Bakersfield. A Key Note Speaker is recommended, and possibly a half day dedicated to student papers.
6. Old Business
 - 6.01 2010-2011 Budget – Rick Finken: The 2010-2011 budget is now approved. Forum prices for 2011 will be \$20 for SPE members and \$25 for non-members, students of USC and CSULB will continue to be free.

continues next page

LASPE BOARD MEETING MINUTES CONTINUES...

7. New Business

- 7.01 Board Vacancy created by the departure of Candra Janova was filled by Leila Rashedi (Young Professionals)
- 7.02 Nominations for SPE Awards: If you are going to nominate someone, go to the SPE web site to review the new forms and rules.
- 7.03 Nominations for OCEC Awards: deadline December 15th, Sam Sarem will ask for an extension since there are additional nominations.
- 7.04 Section Membership Contest: The LASPE will have applications available at the forums, increase non-member price for forum attendance, and plan a possible membership drive. Jalal offered to send formal e-mails inviting individuals to join.
- 7.05 Section Activities:
 - 7.05.1 Outreach – Scott Hara / Vanessa Perez: Easter event to be planned.
 - 7.05.2 Young Professionals – Katy Canan: A holiday gathering was organized by Katy at the Petroleum Club. YP has a new president, Chad Horton, and new officers.
 - 7.05.3 Nominations for OCEC Awards: deadline December 15th, Sam Sarem will ask for an extension since there are additional nominations.
 - 7.05.4 Scholarships – Craig Webster: The scholarship committee is now accepting applications; see the SPE website for deadlines.

8. The meeting was adjourned at 11.45 A.M.

2011 Annual SPE Golf Tournament - SAVE THE DATE!!!

The Annual LA Basin SPE Charity Golf Tournament is set for May 6th, 2011. Once again we will be returning to Los Serranos Country Club in Chino Hills, for this great event.

This event is more than just golf; it is our major fund raiser of the year and provides the section with a large portion of the LA Basin's operating funds.

Make your plans to attend early - teams have already started signing up. We expect this event to sell out, so don't get left out.

Interested parties and VOLUNTEERS PLEASE Contact Rich Manuel at rmanuel@mindspring.com .



SERVICES OFFERED

**Reservoir Management
Drilling Programs
Waterflood Optimization
Tertiary Recovery / EOR
Economic Evaluation
Acquisition and Divestitures**

Scott W. McGurk
Petroleum Engineering Consultant
LA Basin SPE 2007 Past Chairman
714-403-9839
LOVESM @ IX.NETCOM.COM

DAVID B. DEL MAR
Consulting Petroleum Geologist
California Registered Geologist #634

Development - Thermal EOR - Property Reviews

2027 Park Drive
Los Angeles, CA 90026

C (323) 219-3804
H (323) 664-3358
dbdelmar@earthlink.net

CURRENT BOARD, OFFICERS & CHAIRS

As of October 2010				
E-mail	Names	Position	Contact Numbers	
torabzad@csulb.edu	Jalal Torabzadeh	Senior past chair/Section Membership Chair		voting
chad.horton@tigerhd.com	Chad Horton	Young Professional Chairperson	562-426-4044	
dremmw@yahoo.com	Eric Withjack	Vice Chair Board Member-2012	562-347-2504 562-347-2500	voting
SantiaE@slc.ca.gov	Ed Santiago	Scholarship/Science Fair committee		
goras9@aol.com	AB Gorashi	Board Member-2011	916-798-0700	voting
lrashedi@betaoffshore.com	Leila Rashedi	Forum Chair	832-372-9345	
Larry@4thForge.com	Larry Gilpin	Webmaster	714-847-7119	
rspitz@ptslabs.com	Rachel Spitz	Secretary	714-264-3984 cell 562-347-2504	
Craig.webster@slc.ca.gov	Craig Webster	Board member-2013 Scholarship Committee		voting
jack.smith@slc.ca.gov	Jack Smith	Scholarship Chair		
mikeutt@roadrunner.com	Mike Utt	2010-2011 Chairperson	714-488-8952 872-8495	voting
Rcvbelmar@aol.com	Robert Visser	Board member-2011/Assistant Treasurer	310-378-7925	voting
Sam4IPRC@aol.com	Sam Sarem	Nominating Committee		
Scott_Hara@oxy.com	Scott Hara	Community Outreach	626-482-6757	
katy_Canan@oxy.com	Katy Canan	Board Member 2013		voting
perezv28@gmail.com	Vanessa Perez	Junior past chair/student outreach	661-342-2955	voting
rdfinken@gmail.com	Rick Finken	Treasurer	310-200-4846	

Please notify SPE Headquarters directly with change of address: P.O. Box 833836, Richardson, TX 75083 Tel: (800) 456-6863 Fax: (972) 952-9435 or go to <http://www.spe.org/mbrservices/index.cfm> We appreciate your feedback. Send your comments/suggestions/contributions to Larry Gilpin, Editor: larry@4thforge.com

VISIT the LA SPE Web Site @ www.LASPE.org